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Anna P. Bradshaw*

**FEDERAL COMMUNICATIONS
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AUG 14 1996

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In Re Applications of:)
)
AJI BROADCASTING, INC.)
)
Order to Show Cause Why the)
License for Station KYEG (FM))
Canadian, Texas Should Not)
be Revoked)

MM DOCKET No.: 96-92

Volume: 2
Pages: 10 through 66
Place: Washington, D.C.
Date: July 30, 1996

HERITAGE REPORTING CORPORATION

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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AJI BROADCASTING, INC.)	OFFICE OF SECRETARY
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Canadian, Texas Should Not)	
be Revoked)	

Court Room 4
FCC Building
2000 L Street, N.W.
Washington, D.C.

Tuesday,
July 30, 1996

The parties met, pursuant to the notice of the
Judge, at 10:00 a.m.

BEFORE: HON. Edward Luton
Administrative Law Judge

APPEARANCES:

On behalf of FCC:

MARK BERLIN, Esquire
ROBERT ZAUNER, Esquire
Mass Media Bureau
2025 M Street, N.W.
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On Behalf of AJI Broadcasting, Inc.:

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Heritage Reporting Corporation
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I N D E X

<u>WITNESSES:</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>	<u>VOIR DIRE</u>
None.					

E X H I B I T S

	<u>IDENTIFIED</u>	<u>RECEIVED</u>
<u>Mass Media Bureau:</u>		
Exhibit 1	14	15

Hearing Began: 10:00 a.m. Hearing Ended: 11:45 a.m.

P R O C E E D I N G S

JUDGE LUTON: This is the evidentiary hearing in the matter of AJI Broadcasting, Incorporated. We are going to be operating under an order to show cause why the license for station KRBG (FM) Canadian, Texas should not be revoked. The order to show cause and designation order claims that KRBG has been off the air for nearly five years and hasn't demonstrated that causes beyond its control warrant the station's continued silence, since the expiration of its special temporary authority in 1995.

And because of that, the order concludes that AJI is in apparent violation of certain sections of the Commission rules and the two issues that this hearing is designed to determine are whether AJI Broadcasting has indeed violated those rules and also to determine whether it has the capability and intent to expeditiously resume the broadcast operations of KRBG (FM). May I have the appearances please, starting at my left.

MR. INMAN: Jack Inman, AJI Broadcasting.

JUDGE LUTON: All right. Thank you, Mr. Inman.

MR. BERLIN: And Mark Berlin for the Mass Media Bureau.

JUDGE LUTON: All right. Thank you, Mr. Berlin.

MR. BERLIN: And I'd like to -- also with Robert Zauner.

1 JUDGE LUTON: Mr. Zauner. All right. The
2 designation order places both the burdens of proceeding with
3 the introduction of the evidence as well as the burden of
4 proof on the issues, on the Mass Media Bureau.
5 Consequently, we'll start with the Bureau's presentation.

6 MR. BERLIN: Thank you, Your Honor. Before I
7 really start with the marking an exhibit for identification,
8 I do have a pending motion to modify the caption in this
9 hearing because the call letters of the station were changed
10 to KYEG.

11 JUDGE LUTON: I've not received that motion. Was
12 it recently filed?

13 MR. BERLIN: It was filed on July 10th.

14 JUDGE LUTON: I have not seen it.

15 MR. BERLIN: I have an extra copy here.

16 JUDGE LUTON: I'd appreciate one. Thank you. All
17 right. The call sign has been changed from KRBG to KYEG
18 (FM). Is that correct, Mr. Inman?

19 MR. INMAN: That's correct.

20 JUDGE LUTON: You're aware of that. All right. I
21 will grant the motion and change the caption KG -- KYEG
22 (FM). All right. Mr. Berlin, go ahead.

23 MR. BERLIN: Thank you. I would like to mark for
24 identification the declaration of Glen Greisman of the Mass
25 Media Bureau and attachments. I've given two copies to the

1 Court Reporter. It includes a two page sworn declaration
2 with its signature and then four attachments totalling
3 eleven pages plus the divider pages.

4 (The document referred to was
5 marked for identification as
6 Mass Media Bureau Exhibit 1.)

7 JUDGE LUTON: This is what you've exchanged as
8 Bureau's Exhibit 1.

9 MR. BERLIN: Yes.

10 JUDGE LUTON: Proposed Exhibit 1, the entire
11 package without counting the pages. It's 11 pages you say
12 in addition to the declaration of Mr. Greisman?

13 MR. BERLIN: Plus the title pages for the
14 attachment, or divider pages for the various attachments,
15 yes.

16 JUDGE LUTON: Well, plus the divider pages. So
17 counting all those.

18 MR. BERLIN: So I guess that's about 16 or 17
19 pages.

20 JUDGE LUTON: Eleven pages of textual material.

21 MR. BERLIN: Plus the declaration.

22 JUDGE LUTON: Yes.

23 MR. BERLIN: Yes.

24 JUDGE LUTON: Mr. Inman, you know what we're
25 talking about here.

1 MR. INMAN: Yes.

2 JUDGE LUTON: You've received all that.

3 MR. INMAN: Yes, sir.

4 JUDGE LUTON: All right. I'll mark it as Mass
5 Media Bureau Exhibit 1 for identification.

6 MR. BERLIN: Then I offer into evidence the Mass
7 Media Bureau Exhibit 1.

8 JUDGE LUTON: Any objections?

9 MR. INMAN: No, sir.

10 JUDGE LUTON: No objections, then one is received
11 as Mass Media Bureau's Exhibit 1. Mr. Berlin, anything
12 else?

13 (Document previously marked
14 for identification as Mass
15 Media Bureau Exhibit 1 was
16 received in evidence.)

17 MR. BERLIN: That concludes the Bureau's
18 presentation.

19 JUDGE LUTON: All right. Mr. Inman, this would
20 normally be the point at which I would invite you to examine
21 on the documents. I don't know who you would examine.
22 Mr. Greisman has not been requested to take the stand, has
23 not been requested to appear. Consequently, there is nobody
24 for you to cross examine even if you wanted to do so at this
25 point. You never did submit a request for persons to

1 examine did you?

2 MR. INMAN: No, sir.

3 JUDGE LUTON: All right. I didn't think so
4 because I hadn't seen one. Is there anything else from the
5 Bureau? Does that complete its case?

6 MR. BERLIN: That does.

7 JUDGE LUTON: All right. Now, Mr. Inman, we are
8 ready for KYEG's direct case if you desire to present one.

9 MR. INMAN: Yes, Your Honor.

10 JUDGE LUTON: All right. Proceed.

11 MR. INMAN: Your Honor, on July 8th I sent you
12 information along with Mr. Inman in letter form requesting
13 ten more days to show sufficient funding for my radio
14 station after which, and spelling out, that the problem I
15 had had in not building the station was due to, number one,
16 my health, the auto accident that killed my close friend and
17 investor two days before we were to send the crew out to
18 start construction, by a drunk driver, and the leasing of my
19 tower site that I had out there by a competitive radio
20 station to block me from building the station. And last but
21 not least, the failure to file documents by my FCC attorney,
22 Mr. Jack Pennington. And then I followed up with --

23 MR. BERLIN: Your Honor, that letter did indeed
24 ask for an extension of time, but the other information was
25 never submitted in the form of an exhibit. It was just sort

1 of added onto the extension of time request. So, therefore,
2 that should not be considered.

3 JUDGE LUTON: Mr. Inman, had you finished? I
4 don't believe you had.

5 MR. INMAN: No, sir. I hadn't finished.

6 JUDGE LUTON: Why don't you go ahead?

7 MR. INMAN: Can I respond to his statement at this
8 point or should I go on?

9 JUDGE LUTON: First of all, why don't you go ahead
10 and propose whatever you wish?

11 MR. INMAN: Okay.

12 JUDGE LUTON: The point with respect to the
13 July 8th, 1996 letter is that it constituted your request
14 for some additional time --

15 MR. INMAN: Yes.

16 JUDGE LUTON: Within which to submit what you call
17 exhibits here?

18 MR. INMAN: Exactly. And after which on the 18th
19 of July I sent copies of information from RDG Custom
20 Electronics showing that we have indeed hired an engineer to
21 build this radio station and that we had already put a
22 deposit on a transmitter for the station. And also a letter
23 from Tex Rock Radio stating that they would, they were
24 willing to finance my construction and operation of the
25 radio station.

1 And I don't know whether you received it or not,
2 but this morning the President of Tex Rock Radio, Dane
3 Schult, who was in Atlanta and was having some difficulties
4 getting out of Atlanta due to problems at the airport and
5 getting flights out, sent a letter to corroborate this
6 letter on the 18th of July, showing or explaining what our
7 involvement was, what his involvement in the radio station
8 was, what he was putting into the radio station, along with
9 a copy of a letter from Mr. Rob Stevens of R.J. Financial in
10 Rosa Pine, Louisiana, stating Mr. Schult did indeed have
11 financing behind him, the financial capabilities of doing
12 just that. And I'm not sure whether you got a copy of this
13 or not. They supposedly sent a copy of this to you this
14 morning also.

15 JUDGE LUTON: Yes, I did. I've gotten several
16 faxes from you -- faxes and I don't know who these things
17 are being sent to, whether they're being served on
18 everybody, everybody but the secretary which is where they
19 should be served in the first instance I believe. None of
20 that's happening here. Apparently, you view this as, you
21 view it as acceptable apparently to just send off a fax to
22 me and presumably to the other parties periodically.

23 For example, going back to your first one here,
24 this request for additional time, well, no party gains
25 additional time by simply requesting it. So you just took

1 this additional time after sending off a fax. The date for
2 the exchange of exhibits was set in the order and I've done
3 nothing to change that. I've had no reason to change it
4 really because I think what I got from you, a fax which the
5 Commission doesn't even recognize as a pleading, I don't
6 believe, in Commission proceedings.

7 In any event, a paper which is not properly filed
8 with the Commission as it was supposed to be in time for me
9 to receive it and act on it and act on the request for
10 additional time and either grant it or deny it or do
11 something. And let's not forget the Mass Media Bureau,
12 being a party here had an opportunity, should have had an
13 opportunity to react to your request for time as well as the
14 rest of these pleadings.

15 Most recently I got this thing this
16 morning -- we've got a lot of problems here. The Mass Media
17 Bureau just as it was required to do in the order following
18 the prehearing conference that I issued requested that
19 Mr. Schult appear here this morning to be examined on the
20 testimony that Mr. Schult was prepared to offer on KYEG's
21 behalf.

22 Well, that request went out July 22.

23 MR. BERLIN: But, Your Honor, in fairness, two
24 days we did rescind that request.

25 JUDGE LUTON: You did? How did you do that? I've

1 received nothing to indicate --

2 MR. BERLIN: We went the same letter in the same
3 format that we did.

4 JUDGE LUTON: Did you send it to me as well?

5 MR. BERLIN: Yes.

6 JUDGE LUTON: One thing at a time here. This is
7 messy enough. July 3 is when the Bureau submitted its, what
8 is this, exhibits. Okay. July 24, I never got a copy of
9 this letter, why is that? Was it sent out in the usual way?

10 MR. BERLIN: Yes, it was sent out in the usual
11 way.

12 JUDGE LUTON: All right. So what it means is that
13 the Bureau no longer requires Mr. Schult for cross
14 examination.

15 MR. BERLIN: That's correct.

16 JUDGE LUTON: Okay. so that Mr. Schult's
17 inability to be here this morning may or may not affect what
18 we're able to do. I put it that way because the Bureau's
19 initial information called Mr. Schult was based on what
20 Mr. Schult had submitted up until that time. That is by the
21 22nd, whenever that letter was -- Mr. Schult was requested
22 and then the request was, yeah. The 24th. Now we've heard
23 from Mr. Schult on July the 29th. Presumably the Bureau is
24 seeing this for the first time this morning as well.

25 MR. BERLIN: That's correct.

1 JUDGE LUTON: Does the Bureau want to examine
2 Mr. Schult now?

3 MR. BERLIN: Well, actually it's not so much
4 Mr. Schult because in the initial letter that he had sent
5 that was with the exhibit that was sent in, it appeared from
6 that letter that Mr. Schult's company was the one that was
7 going to be provided the financing. Now in the one I just
8 got this morning it appears that, no, he's not. It's
9 actually going to be in Mr. Rob Stevens of another company.

10 JUDGE LUTON: Somebody behind Mr. Schult --

11 MR. BERLIN: Yes.

12 JUDGE LUTON: -- was going to supply
13 Mr. Schult's -- yes.

14 MR. BERLIN: And we had no idea who he was. He as
15 never mentioned before. So Mr. Stevens then would seem to
16 be the one --

17 JUDGE LUTON: Would seem to be. Would the Bureau
18 want him after having reviewed this material over the last
19 hour or two? This is the kind of complication that arises
20 in these last minute submissions of papers. They're not
21 even proper filings. I don't know what to do with this.

22 MR. INMAN: I understand and I apologize, Your
23 Honor. It's my ignorance.

24 MR. BERLIN: In this particular instance, all of
25 these letters are rather tenuous because there is no

1 statement, written statement in the record from Mr. Inman on
2 behalf of the licensee that he would use any of the money
3 from -- that he would construct the station. None of that
4 was part of the exhibit. So it's very difficult to say, but
5 we might very well want to have Mr. Stevens. But it seems
6 like the whole thing is built on something that's not really
7 there.

8 JUDGE LUTON: It's a fair implication is it not
9 that Mr. Inman's gone through this process of getting
10 statements of people that he in fact intends to use money if
11 indeed there's any money forthcoming for the purposes of
12 getting the station back on the air? It seems to me that
13 that's a reasonable implication and we can check that
14 implication by having Mr. Inman take the stand here and tell
15 us what all this means. And perhaps after that the Bureau
16 can make a further determination about whether it needs to
17 talk to Mr. Stevens or Mr. Stevens is the man now.

18 MR. BERLIN: Well, while that might be an
19 inference you could take, the Bureau would object to that
20 because I worked, I talked often with Mr. Inman from the day
21 of the prehearing conference to the presence, maybe eight or
22 ten times, telling him all the different things that needed
23 to be filed. And when they weren't filed, I would reiterate
24 it and I told him numerous times that he had to have his
25 statement and to have his testimony here when everything was

1 supposed to be committed to writing and he didn't would seem
2 to be totally against what you had said in the first place.

3 JUDGE LUTON: What are we talking about?
4 Mr. Inman's own testimony about what his intentions are with
5 respect to these letters that talk about money?

6 MR. BERLIN: Yes.

7 JUDGE LUTON: It looks like some of this stuff
8 is -- Mr. Stevens apparently first speaks by letter dated
9 July 25, well after the date for exchanging these materials
10 in writing.

11 MR. INMAN: Your Honor?

12 JUDGE LUTON: Yes.

13 MR. INMAN: May I clarify Mr. Stevens?
14 Mr. Stevens is not someone that -- I know of, but I don't
15 know him. This is -- he is the financial backer for Tex
16 Rock. I don't have any dealings with Mr. Stevens. My
17 dealings are with Tex Rock. And he is the guy who has
18 secured \$30 million for Tex Rock to buy radio stations as
19 part of a network of stations in the State of Texas.

20 JUDGE LUTON: Your dealings have been with Mr. --

21 MR. INMAN: Mr. Schult, Mr. Daniel Schult.

22 JUDGE LUTON: Mr. Schult.

23 MR. INMAN: President of Tex Rock, that's correct.

24 JUDGE LUTON: And yet you submit something here
25 signed by Mr. Stevens with an outfit called R.J. Financial,

1 Incorporated with which you have had no dealings. Is that
2 what you just said?

3 MR. INMAN: Your Honor, this is information which
4 Mr. Schultz faxed in here either late last night or early
5 this morning when he found that he could not be here in
6 person. I had no idea what this was. This is the first
7 I've seen it this morning when I came in. I know -- his
8 name has come up in conversation as the person of the
9 financial corporation that is financing Tex Rock.

10 JUDGE LUTON: But if you had your way, Mr. Inman,
11 and if you were setting about now to put together a set of
12 exhibits which would constitute your direct written case in
13 this proceeding, Mr. Stevens' letter would not be a part of
14 it, is that correct? It's only a part of it because of the
15 loosey goosey way in which papers have been submitted here.

16 MR. INMAN: I understand. And that's my error and
17 I apologize for it.

18 JUDGE LUTON: No need to apologize. We just try
19 to do what we can with the mess here.

20 MR. INMAN: Your Honor, I have -- I have tried to
21 do what I thought was what I was supposed to do without
22 going through another Jack Pennington who put me in this
23 position. I have talked with an attorney that is, that I
24 intend to represent me and after we hopefully start
25 construction of this radio station and this Mr. Frank Jazzo

1 here in Washington, D.C. He was very highly recommended
2 by --

3 JUDGE LUTON: All right. Well, just one thing at
4 a time. I'm still looking at this July 25, 1996 letter
5 signed by Mr. Rob Stevens, the President of R.J. Financial,
6 Incorporated, with whom I understand you, Mr. Inman, have
7 had no dealings.

8 MR. INMAN: No, sir. I have had no --

9 JUDGE LUTON: And consequently, you're in position
10 to affirm or deny anything that Mr. Stevens says in this
11 letter.

12 MR. INMAN: No, sir. It's my understanding that
13 that letter was submitted with this other information to
14 show that Tex Rock did in fact have the capabilities
15 financially to either assist me in constructing --

16 JUDGE LUTON: But it's not a Tex Rock letter.
17 It's an R.J. Financial letter. This is not Tex Rock
18 speaking and here Mr. Stevens is submitting what he calls
19 background on Dane Schult.

20 MR. INMAN: Yes.

21 JUDGE LUTON: He can't tell us anything about that
22 whether it's true or it's erroneous or anything.
23 Mr. Stevens, he's not here, he submits this paper and he
24 submits another paper which offer him an outfit that the
25 licensee here has had no dealings with. But what he does

1 say, however, in this letter opens up an intriguing area of
2 inquiry it seems to me.

3 Because it indicates that Tex Rock whom the
4 licensee has been counting on for financing itself was
5 relying on somebody else for financing. Now, how that would
6 work I would think you'd really want to know. It seems to
7 me that we didn't have to be told about this R.J. Financial
8 thing. But now we have been told about it.

9 MR. INMAN: The purpose from my understanding why
10 that letter was put there is after a conversation with Mr.
11 Berlin stating that, informing me that the letters that I
12 sent to you must be verified in some way, form or fashion.
13 And what Mr. Schult was attempting to do here was verify
14 that he did have the financial capability to finance
15 construction of my radio station. Where he gets his money
16 to do this as long as it's not illegal I'm not concerned
17 about it. My concern is to be able to start building a
18 radio station which is my dream and I've got every cent in
19 the world I've got invested in it. And to do it
20 immediately. And I'm prepared to start, put more money on
21 the transmitter. I'm prepared to begin construction in the
22 next few weeks as quick as I can get my engineer down there.
23 I just made a trip out there myself about three weeks ago.

24 JUDGE LUTON: This has been going on for a long
25 time, Mr. Inman.

1 MR. INMAN: I understand that.

2 JUDGE LUTON: There have been several claims about
3 readiness to get the station back on the air and it hasn't
4 happened yet.

5 MR. INMAN: Your Honor --

6 JUDGE LUTON: So this -- I'm sorry?

7 MR. INMAN: I can, I can promise you that if
8 you'll give me three months, I will either have the station
9 on the air or practically constructed, almost ready to go on
10 the air or I won't bother you again.

11 JUDGE LUTON: It isn't me that you've got to worry
12 about here. I have to follow the Commission's rules.

13 MR. INMAN: I understand.

14 JUDGE LUTON: And do whatever they require me to
15 do. I'm understanding this package that came in this
16 morning, Mr. Schult who is down in Atlanta unable to get
17 out. This was all sent by fax by Mr. Schult. That
18 including this R.J. Financial stuff here that he just
19 gratuitously tossed in along with his background statement.

20 MR. INMAN: Yes, sir. Now, there's an additional
21 letter from Mr. Schult.

22 JUDGE LUTON: Let me deal with this one here. Let
23 me see where we are with this one. What is the Bureau's
24 position now? The Bureau is telling me that it now would
25 like to have an opportunity to talk with Mr. Schult?

1 MR. BERLIN: Well, Mr. Schult, no. Initially,
2 when the letters came in after the ten day request for
3 extension of time, one of the letters that came in was from
4 Mr. Schult. In subsequent phone calls to Mr. Inman I
5 mentioned to him that the letters didn't say anything
6 really. It didn't say anything about the amount of the
7 loan, the terms. It didn't say anything about whether or
8 not he'd had the funds in the first place. And --

9 JUDGE LUTON: Which letter are we talking about?

10 MR. BERLIN: This is the one about --

11 JUDGE LUTON: The Tex Rock letter?

12 MR. BERLIN: The 18th, July 18th.

13 JUDGE LUTON: Yes.

14 MR. BERLIN: And so in an effort then to correct
15 all this, Mr. Schult was apparently going to come in. They
16 didn't come in and we got this fax that was sent I see at
17 11:30 last night. And now the letter does talk about the
18 amount of the loan and the terms and it does start to talk
19 about the truth of what he writes. But it doesn't say upon
20 penalty of perjury. But now he talks about that he wants
21 to, for the first time as I mentioned before, that he wants
22 to rely on this commitment letter from R.J. Financial. But
23 then that's unsworn and he can only really stand for the
24 fact that Rob Stevens wrote this letter to Dane Schult. And
25 it really can't attest to the veracity of that letter.

1 JUDGE LUTON: Mr. Inman, since you don't know
2 Mr. Stevens, you don't know anything about R.J. Financial,
3 Mr. Berlin just said that you intended to rely on this
4 letter from R.J. Financial and signed by Rob Stevens. Is
5 that true or not?

6 MR. INMAN: I rely on that as testimony that
7 Mr. Dane Schult has the financing to assist me in
8 constructing my radio station.

9 MR. BERLIN: Well, it's actually Mr. Inman is
10 relying on Mr. Schult and Mr. Schult is relying on
11 Mr. Stevens. So indirectly he's relying on Mr. Stevens.

12 JUDGE LUTON: You're not looking to R.J. Financial
13 for any of the money that you need are you?

14 MR. INMAN: I'm looking at Tex Rock.

15 JUDGE LUTON: That's what I thought. We're
16 talking about relying on this and relying on that, but when
17 you really get down to it, it seems to me rather nonsensical
18 to talk about reliance on an entity on which you've had no
19 dealings at all.

20 MR. INMAN: Mr. Schult's relying on them for not
21 only that but other properties that he's getting involved
22 with.

23 JUDGE LUTON: But your view I take it is that
24 that's no part of your problem. You're looking solely to
25 Tex Rock Radio and Mr. Schult. Who he gets the money from,

1 that's his business.

2 MR. INMAN: I'm concerned with KYEG (FM) Canadian,
3 Texas. That's the only concern I have.

4 MR. BERLIN: Your Honor, what the Bureau wants to
5 know is, is there going to be money forthcoming? Is there a
6 source? So if Mr. --

7 JUDGE LUTON: That's a legitimate area of inquiry
8 for the Bureau.

9 MR. BERLIN: So if Mr. Stevens' letter is
10 excluded, which we believe it should be, then we would want
11 to find out from Mr. Schult. If Mr. Stevens' letter is
12 allowed, then we'd want to find out from Mr. Stevens.

13 JUDGE LUTON: Mr. Schult should have been here
14 this morning.

15 MR. INMAN: Your Honor, if I may, Mr. Schult was
16 having to come out of Atlanta and it was a last minute thing
17 and it's very difficult to get out of Atlanta. That's the
18 reason he had plans to be here.

19 JUDGE LUTON: Well, he should have been here is
20 all I can tell you. It's tough on everybody really.

21 MR. INMAN: And as far as concerns, Your Honor, if
22 I haven't made progress financially on this thing by the
23 31st day of October, that's only three months. And I'm not
24 going to be able to build a radio station and we've gone a
25 long way, Your Honor, and I've been through an awful lot.

1 And I understand the Commission's standpoint on this, but
2 I've got my whole life savings wrapped up in this. I'm not
3 a wealthy person.

4 JUDGE LUTON: Mr. Inman, you're telling me things
5 that I can do nothing with or about. I am here to conduct a
6 hearing on the proposed revocation of a station license. My
7 concern is with taking evidence this morning and going off
8 somewhere to write a decision based on that evidence. That
9 it's been a difficult time for you and all of that, I can't
10 do anything about that. I'm trying to make an evidentiary
11 record here.

12 That has to be the first step. That's why I worry
13 about each one of these papers individually. I understand
14 very much of this. I'm looking at the July 18 letter signed
15 by Mr. Schult which states that it is TR's, the's Tex Rock I
16 assume, intent to assist KYEG in funding and the
17 construction of the station. No terms are stated, no dollar
18 amount, no nothing to indicate any sort of commitment on the
19 part of Tex Rock. It doesn't really say anything that's
20 useful from an evidentiary standpoint.

21 Attached to the copy of that letter that I
22 received is something on an RDG Custom Electronics
23 letterhead addressed to Mr. Inman signed by, I don't know
24 whose signature that is. Is that Mr. Schult's signature at
25 the bottom of that?

1 MR. INMAN: No, that's Mr. R.D. Goss, owner, Chief
2 Engineer of RDG Custom Electronics.

3 JUDGE LUTON: Mr. Goss. Somebody else. Don't
4 know who he is, don't know anything about him. But still it
5 doesn't say anything about financing. And the letter that
6 was sent to me transmitting those to say these are designed
7 to show that AJI Broadcasting is prepared to begin
8 construction on July 30 and have it completed on before
9 October 31. I guess that was intended to constitute the
10 direct case. That's the showing you intended to make here
11 this morning?

12 MR. INMAN: Yes, sir.

13 JUDGE LUTON: Reflected by, well --

14 MR. INMAN: I wanted to show that I have the
15 intentions to immediately begin construction on this.

16 JUDGE LUTON: But where in what I just read off is
17 there anything about the money that it would take in terms
18 of which it would be made available?

19 MR. INMAN: This fax that --

20 JUDGE LUTON: None of that's there. That's last
21 minute is this thing that came in overnight.

22 MR. INMAN: Yes, sir.

23 JUDGE LUTON: Fill in the -- I suppose.

24 MR. INMAN: I was unaware of whether Mr. Schult
25 would be here this morning or this letter would be waiting

1 for me this morning when I came into the courtroom. My last
2 conversation with him last night was that he would do
3 everything within this power to be here this morning. I
4 tried numerous times this morning to reach him but got his
5 voice mail.

6 JUDGE LUTON: Even if he finally got out, he's on
7 his way up here.

8 MR. INMAN: I really expected to see him sitting
9 here when I walked in this morning, but obviously he could
10 not make it at that time.

11 JUDGE LUTON: You run a big risk as a licensee if
12 the people that you're relying on to help you make your case
13 are not able to make it for whatever reason. You run a big
14 risk.

15 MR. INMAN: I understand. But, Your Honor, again
16 I'm saying it's very difficult to get in and out of Atlanta
17 Airport at this time. I didn't know -- it took me until
18 3:00 o'clock this morning.

19 JUDGE LUTON: It may be difficult to save your
20 license under the circumstances here. I wonder if the
21 Bureau is as confused by all this as I am. Can I ask the
22 Bureau to state its objections to everything that we've got
23 before us here?

24 MR. BERLIN: Yes, sure.

25 JUDGE LUTON: All right.